

Understanding Estimating Conferences

SSC 304





Understanding Estimating Conferences

Florida's Consensus Estimating Conferences

A formalized, professional, non-political process to determine available revenues and major cost requirements for the annual budget.

Understanding Estimating Conferences



Constitutional Framework

- Florida Constitution requires:
 - Annual budget & planning process (Article III, Section 19(a))
 - Balanced Budget (Article VII, Section 1(d))
 - Adequate revenues must be raised to defray expenses
 - Expenditures only pursuant to Appropriations made by law (Article VII, Section 1(c))



Florida's Budget

- The State's budget is prepared every year.
- Each budget must be balanced. The planned expenditures for each year are constrained by the anticipated revenues for that year.
- Important Questions-
 - How much revenue will be available?
 - What will demand be for major service categories?
- Estimating conferences provide some answers:
 - Formal process to develop "official information"
 - Guided by statute (ss. 216.133 – 216.137, F.S.)
 - The consensus estimating process allows policymakers to evaluate policy options with agreed-to fiscal impacts.
 - It frees policymakers to consider policy options rather than debating fiscal impacts by providing objective and non-political estimates that can be accepted by all parties.

Conference Basics

- Professional staff make the decisions
 - House, Senate, Governor's Office and Office of Economic and Demographic Research (EDR)
- Conferences develop "Official Information" for purposes of state planning and budgeting system. "Official Information" requires:
 - Unanimous agreement among the principals
 - Current law/current administration assumption
 - Must be used by each state agency and the judicial branch
- Meetings are noticed and open to the public





Conference Activity

- 10 formal conferences in statute
- *Three rounds of conferences* each year:
 - Spring – Legislative Budget
 - Summer – Long Range Financial Plan
 - Fall – Governor's Budget Request
- Impact conferences—evaluate impacts of proposed legislation
- Ad hoc conferences for constitutional amendments by citizens' initiative

Conference List

- **Criminal Justice Estimating Conference**
 - Prison population
 - Number of sexual predators
- **Early Learning Programs Estimating Conference**
 - Voluntary Pre-Kindergarten Enrollment
- **Education Estimating Conference**
 - Public Schools Enrollment
 - Florida College System Enrollment
 - Post-Secondary Financial Aid
- **Demographic Estimating Conference**
- **Economic Estimating Conference**
 - Florida Economic
 - National Economic
- **Social Services Estimating Conference**
 - Medicaid Caseload and Expenditures
 - Temporary Assistance for Needy Families (TANF) Caseload and Expenditures
 - KidCare Caseload and Expenditures





Conference List (Cont'd)

- **Revenue Estimating Conference**
 - Ad Valorem
 - Article V
 - General Revenue
 - Gross Receipts / Communications Services Tax
 - Highway Safety Fees
 - Education Enhancement Trust Fund (EETF)
 - Lottery
 - Slot Machines
 - Public Education Capital Outlay (PECO)
 - Transportation Revenue
 - Tobacco Tax and Surcharge
 - Tobacco Settlement
 - Long-Term Revenue Analysis
- **Self-Insurance Estimating Conference**
 - Risk Management Trust Fund
 - State Employees' Health Insurance
- **Occupational Forecasting Conference (Workforce Estimating)**
- **FL Retirement System Actuarial Assumption Conference**

Impact Conferences

- Official estimates of impact of individual proposed law changes or budget issues
- Regular, frequent meetings before and during legislative sessions
- Each principal may submit issues

Fiscal committees normally require impact estimates prior to consideration of legislation (either bills or amendments to bills)





When a Conference Meets, What Happens?

- Estimates/Forecasts presented to principals by participants. Participants are typically staff from the Office of Demographic and Economic Research (EDR), staff from the Governor's Office and staff from the relevant agency or agencies
- Principals ask questions, discuss, suggest changes or alternatives
- Input from interested parties (impact conferences)

Information relevant to the estimates, NOT a policy discussion

- Principals:
 - Reach agreement OR
 - Analysts need to do more work

Questions?

